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ABSTRACT

It is not surprising that private education is gaining importance in China, given the overall context of huge national efforts toward building up a "socialist market economy." However, the fast growth rate in both quantity and quality of profitable private schools in a socialist society has exceeded expectations. This paper examines the modern history of private education in China. The present-day resurgence of private education is rooted in the heritage of private education in Chinese society. Private schools were the precursor of modern Chinese education and played an important role in the country for a long period before 1949. When government policy became more flexible and household income increased substantially, this heritage was revived and became a stimulating factor for the private-education sector. Unfortunately, the system is fraught with difficulties in educational equity and prioritization of subjects. It is common for kindergarteners to learn English before they can speak Chinese fluently, and computer classes are emphasized in many private high schools whereas mathematics is ignored, undermining the establishment of a basic knowledge foundation. As public education expands, private education may face serious challenges in the future if resource diversification and expansion are not balanced with quality. (Contains 25 references.) (RT)

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National Center for the Study of Privatization in Education

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An Overview of Private Education Development in Modern China

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Abstract It is not surprising that private education is gaining importance in China, given the overall context of huge national efforts toward building up a "socialist market economy". However, the fast growth rate in both the quantities and the qualities of profitable private schools in a socialist society has exceeded expectations. This paper looks into the modern history of private education in China and finds that such a huge resurgence of private education is rooted in the heritage of private education in Chinese society. Private schools were the precursor of modern Chinese education and they played an important role in the country for a long period before 1949. When the government policy became more flexible and household income increased substantially, such a heritage was revived and became a stimulating factor for the private education sector.

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1. Introduction

The huge population base of China creates the largest education industry in the world. 1999 figures show a student body of 320 million, accounting for about 30% of world's student population (Qu, 2001). However, limited financial resources have severely restricted educational development in China. With lower-than-average national effort and fiscal effort measures (Tsang, 2000b), the number of junior high school classes that accommodate more than 66 students increased from 61,000 in 1993 to 132,000 (Jiang, 2001); and the higher education gross enrollment ratio (for ages 18-22) was only 10.5% in 1999, and only 1% of labor force has received 4-year and above tertiary training (Qu, 2001). In order to realize the developmental goal of 2010[1], the Chinese government launched a reform of the structure, administration and financing of education in 1985, decentralizing and diversifying the provision and financing of education (Tsang, 1993). Non-governmental schools revived after the 1985 policy in response to both the excess and differentiated demand.

This is not the first time in history that China has had a private education system. With rapid growth in the previous two decades, a lot of problems emerge on such topics as legal status of private schools, their legislation, ownership and quality. A review of the available literature shows policy -makers are more concerned with the commercial potential of private schools, than with its educational quality and effectiveness. The retrospection of contemporary private education tells people there are goals other than business profit in educational development, and that education is about devotion, truth and innovation. This paper records the contemporary private school history in two parts: pre-1949 era and post-1949 era.

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[1] The 2010 education goals include: Reduce the young people illiteracy rate to less than 1% and raise the total adult literacy rate to 90%; The junior high school gross enrollment rate reaches 95% so that 95% of students

2. Pre-1949 era

The tradition of private education dates back to thousands of years ago with Confucius, and for a long period it was the dominant form of education. However, the modern private school system (or "new school system") did not appear until 1840. This is the year that is usually used in Chinese history books as the beginning of the contemporary period, when China was defeated in the Opium War and began its journey of being colonized by Western powers. Before this, China had been such a self-contained nation that it was reluctant to open to the world. The Opium War was the first attempt to force open the door to China. Yet even such a shameful and additive commodity yielded to the strong resistance of Chinese people. War became the final choice.

The door was open. Through a series of humiliating defeats after 1840, the blind arrogance of the Chinese was shattered, and they began to accept, with great agony, the backwardness in their national development level. Various endeavors were made to save the nation, with education modernization among one of the most important attempts. In this education reform movement, private education played a crucial, if not the dominant role. Not only did private, modern schools appear earlier than governmental schools, but also they were generally of better quality at the higher education level.

Schools in this period can be divided into four types: Government-owned schools, mission schools, schools run by Chinese and *sishu*. The latter three types are private schools. However, the last one, *sishu* (which, translated literally, means private school), does not belong to the modern school type. Yet it persisted in modern China till the early 1950s

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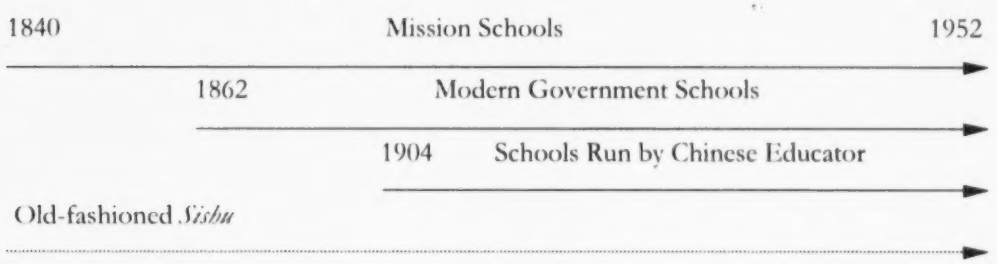
can complete the 9-year compulsory education; The gross enrollment rates of senior high schools and colleges will increase to 50% and 11% respectively (State Education Commission of PRC, 1996).

(Deng, 1997). The development of modern school system can be summarized in the simplified diagram below:



2.1 Mission schools

The earliest modern private schools were founded by missionaries. Their development in China can be divided into three periods: from 1840–1904, 1904–1925, and 1925–1949.

The starting period (1840–1904)

As the starting of a series of "unequal treaties" between the Qing government and the Western powers, the "Nanjin Treaty" (1840) knocked open the door of China by setting up "trading ports" in Eastern China, and helping the Church obtain legitimate status to spread Christian Gospel in those cities. Previous experience had shown that, with the deeply entrenched Confucius tradition, Chinese were resistant to Christian beliefs. The spread of the Western religion had proven to be unsuccessful. For example, it took the American Methodist mission in Guangzhou ten years to make the first Chinese convert (Deng, 1997). To attract more conversions, missionaries tried to set up hospitals, schools, and printing agencies so as to win the support of the Chinese people. Among these agencies, schools did more than just help people and win their hearts: They also passed on Christian beliefs directly. With the subsequent "unequal treaties" (Wangxia Treaty in 1844, Huangpu Treaty in

1844, Tianjin Treaty in 1858, etc.), Western powers further obtained the rights to spread Christian Gospel in the interior areas of China. Thus, religion in company with mission schools penetrated into central China.

Mission schools in this period had several common characteristics. First, their scale was quite small. For example, the first missionary school set up in Macao (1839) admitted only 6 children for the first year. Second, the establishment and administration of these schools were not systematically supported by the missionary organizations in their home countries, as was the case in the later periods. Schools in this period usually did not have any administrative staff. Decisions on curricula and teacher recruiting were left to one or several missionaries. Third, not unexpectedly, with limited capability of the personnel and funding, schools in this period were mainly primary and secondary schools. Fourth, mission schools were still not completely accepted and identified with by society, both on the intelligentsia level and the grassroots' level. Due to the long isolation of China from the rest of the world, foreigners were looked on as barbarians by many people. This severely restricted the development of mission schools and this negative perception toward foreigners/mission schools reduced their appeal to students. Indeed, as early schools provided free accommodation and food for the student, poor and homeless children attended the schools run by "barbarians" only to remain alive. This is a sharp contrast with the situation in latter periods of development. Finally, the curriculum mainly included the Christian Gospel and a small amount of rudimentary knowledge of reading and calculating.

The number of missionary schools in this period was quite small. For example, Deng (1997) reported that the First General Conference of Protestant Missionaries in 1877 reported only twenty Protestant mission schools with 231 students. Among these schools

include Chongxin yishu (1844), Menyang School (1864), Wenhua School (1872), Fanwandu English Language School (1879) and Huiwen School (1889).

From 1904 to 1925

Modern governmental schools did not appear till 1862, when Jinshi Tongwen Academy was established. After a series of defeats in the battlefield, some Qing officials realized the importance of technology and foreign language. The government split into two groups in the late 19th century. One group strongly supported the learning of Western technologies and military strategies. The other advocated political and educational reform within the old government system. Both groups belonged to the feudalistic government, hoping to save the nation without overthrowing the feudalistic system (Chen, 1982). As a result, in the field of education, three types of new schools appeared: military schools, language schools and technology schools. They were modeled mainly after the early mission schools.

Outside government policy, one of the largest farmers' revolts, "Peaceful Paradise" (*taiping tianguo*), lasted for decades and controlled half of the provinces across the country. This movement started under the name of God and claimed to be a religious movement. Later, this movement was quenched by the Qing government with some help from foreign military forces.

Western influence had penetrated China both within the government and without by the latter half of the 19th century. This created a nourishing environment for mission schools to expand rapidly (Deng, 1997). The expeditious expansion coincided with other issues that caused great social change. The first was the Boxer Rebellion, organized by farmers in 1900. It fought directly against the Western powers, including the evangelistic activities performed by missionaries. This movement stunned the Western nations with such gravity that they began to realize the importance of controlling a people by influencing its mind first.

Education became viewed as one of the most efficient ways of affecting people's minds and gained strong support from the Western nations. Through education, missionaries attempted to win support from the intelligentsia in the hope of making them the future leaders of China, and vehicles for control of the country. Compared with the schools in the previous period, missionary schools were supported by various religious organizations and foundations, including the Rockefeller Foundation.

Another issue that changed the developmental context for missionary schools (and other forms of private education as well) was the implementation of the "*Guimao* Education System" in 1904. Many reformists became active in politics around 1900. Some of them saw the annihilation of the old education and examination system and the establishment of a modern school system as the only way out of the dire condition of the nation. These reformists made several attempts to improve the nation within the framework of existing government. The most famous attempt was the *Wuxu* Legislature Reform ("*Wuxu*" refers to the year of 1898 as expressed in the traditional Chinese calendar). Among the reform package, attempts were made to change the educational system. For example, it set up "Jinshi Daxuetang", which is the embryo of today's Peking University. The reform also suggested abandoning the traditional examination system, adding political and economic studies into the curriculum, and setting up professional schools in the field of law, finance and diplomacy. The reform is famous for its transience: It remained effective for only around 100 days. Almost all the contents of that reform were abandoned. Nevertheless, the Qing government preserved "Jinshi Daxuetang".

Although the "Wuxu Legislature Reform" was aborted, the reformist ideas began to spread in society. In 1903, the Qing government proclaimed the new Royal Regulations for Schooling (*Zouding Xuetang Zhangcheng*). In this regulation, a new school system was designed

and the local government on all levels was required to establish new schools according to the regulation. Institutions were set up to make sure students got the compulsory education, and governors were requested to assist the proliferation of such education (Deng, 1997). Shortly after the proclamation of this new regulation, a ministry of education was established, and the old examination system (*keju*, which required a composition, often on politics or morality, in the form of an "eight-legged" essay[2]) was finally abolished. With this great ambition to completely rebuild the national education system, together with the dearth of governmental funding for public education, it was therefore the case that private education, including both mission schools and private schools run by Chinese, faced excellent possibilities for growth.

Missionary education in this period featured a rapid expansion in terms of the number of schools. According to Deng's (1997) description:

> In 1899 there were 1,296 Protestant missions in the Celestial Empire. By 1914, the number had more than quadrupled. By 1906, there were over 2,000 elementary schools and 400 middle schools run by Western missions. On the eve of the Republican Revolution of 1911, Western missionaries operated 3,145 schools in the country. Protestant mission schools enrolled 138,937 students in 1912. Catholic and Orthodox mission schools had a student body of 50,000 to 100,000. In Southern Manchuria, the Japanese ran 28 schools with a total enrollment of 5,551 students (Deng, 1997:32)

In addition to the development in numbers, mission schools scored rapid growth in higher education. Many new colleges and universities were established. Even some secondary mission schools were upgraded or merged into colleges. Examples include Jinlin University of Nanjing (1911), Jinlin College of Women (1915), Wuchang University (1910),

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[2] The eight-legged essay has played a famous (and sometimes infamous) role in Chinese literature. It began as an attempt to give an ordered form to the essay and eventually became a standard part of the Civil Service examination. As time went on, it began to be no more than a rigid and lifeless exercise that all examinees were expected to perform. However, some of the earlier essays successfully conveyed real messages briefly and tellingly within the highly regulated eight-legged format. (See http://www.wlu.edu/~hhill/baguwen.html for more information).

Shangdong Christian College (1902), and Qilu University (1915). Most of the top-tier universities in China today were established in this period by missionary organizations. The most outstanding examples are Xiehe (Concord) Medical School and Tsinghua University (Hu, 1994), the former being the best medical school and the latter one of the best comprehensive universities in China today.

There were several trends that characterized education development in this period. First, out of the necessity of identifying themselves with the Chinese elitist class and becoming integrated into the largely secular society of China, missionary organizations gradually shifted their emphasis from religious dissemination to knowledge education. Mission schools gradually became general educational institutions. As a result, missionary organizations made great efforts to improve their academic quality at the same time as they expanded the quantity of schools. These organizations attracted well-trained teachers with high salaries, extended the length of academic programs and improved the curriculum design. Second, with more emphasis on general education, vocational and professional training was also gaining ground. For example, Saint John University established its own medical department in 1896, while the Concord Medical School of North China was founded in 1905 under the auspices of the Rockefeller Foundation. Nursing and dental training were also offered in these medical schools. Third, the student body of mission schools changed. Focusing more on education itself than on religion, schools implemented entrance examinations to ensure student quality (Hu, 1994). As mentioned before, the student body in the first phase of development was mainly composed of children from poor and religious families. In this period, however, the weakening emphasis on religion, the stricter admission control and better facilities attracted students from the rich and intellectual

families. Starting about 1910, it became increasingly fashionable for affluent Chinese families to send their children to mission schools (Deng, 1997).

With the above changes in mission education, the source of funding for mission schools also changed. This was the fourth characteristic of this period. There were two principal sources of funding. The most important one was the support from the mission organizations and foundations from the Western countries. What makes this source different from the previous period is "mission societies began to break sectarian boundaries to pool their resources together in setting up and running Christian colleges" (Deng, 1997:33). For example, the above-mentioned Qilu University was jointly supported by the American Presbyterian and the English Baptist missions (Deng, 1997). The second source of funding was tuition. This was new to mission education in China. In the first phase, mission schools had to offer free accommodation, free education and free traveling to attract students. With more affluent students joining the mission schools and the increasing popularity, mission schools in this phase began to charge tuition and gradually became a luxury for rich families. As a result, tuition accounted for a significant proportion of mission school financial resources. During the 20s and 30s, one third to one half of the funding came from tuition in some large-scale universities in Eastern China (Hu, 1994).

From 1904 to 1925, China transformed from a feudalistic society to a Nationalist state. After the revolution in 1911 that overthrew the Qing Dynasty, China went through rapid economic growth. Deng (1994:39) reported an annual industrial growth rate of 13.4 percent between 1912 and 1920. The emerging new society generated a great national demand for education. With the government encouraging private contributions and investment in education, private schools, including mission schools, achieved a rapid, and sometimes rampant growth. During this period, western mission schools were not required

to register with the Chinese government. Exemption of registration means the Chinese government had no control over those schools. Mission schools were registered within their native countries. A trustee board was usually set up in the native country to control all the administrative, financial and personnel issues (Hu, 1994). This last characteristic of the second phase, together with other social and international environment change, led to a new stage of mission school development in China.

1925-1949

The end of the First World War in the previous phase inspired the national awareness of independence. It aroused nationalism in two ways. First, the War attracted the attention and energy of Western powers to the European theatres. This left a precious chance for the national industries of China to develop and compete with foreign enterprises. As a result, China achieved rapid economic growth during this period. Second, although China did not gain benefits from the treaty following the war, it was listed as one of the "winning" nations. This helped its people regain some confidence and pride in their own country. With the establishment of a nationalist country in 1925, this nationalism was further strengthened. Chinese intellectuals began their quest for a new national identity. Under the influences from other countries, many practices were borrowed and adapted to the special context of Chinese society. Some people held a strong faith in democracy and science, while others sought national salvation through Marxism and Leninism, which had scored successes in the experiment in Russia. Students returning from overseas brought back new ideas with them. Tao Xingzhi and Jiang Menglin, two educators who had graduated from Teachers College, Columbia University, were among the most prominent individuals who sought national identity through education experiments.

In such a context, mission education was facing serious and widespread criticism. It was considered by young intellectuals as a denationalizing force and an imperialistic and colonizing agency of western powers. Mission education was also regarded as a religious propaganda agent. In October 1924, all these "evil effects" of mission education were formally included in Resolution VII of the National Federation of Provincial Educational Associations Annual Meeting. The resolution also recommended that mission schools: should: register with the government; be supervised by local committees; require their teachers to possess teaching qualifications; set tuition no higher than other private schools in the same district or province; and should cease propagating religion (see Chinese Christian Education, 1925). The 1925 Chinese Christian Education Conference in New York also reported that

> "In spite of the fact that both government and private schools have been crippled for finances, and that the whole country has been unsettled, …[there is] growing sense of confidence on the part of the Chinese educators with reference to their ability to develop a sound educational system for their country." (1925 : 14)

The May 30 Massacre in 1925, starting with the killing of one Chinese worker in a British textile plant in Shanghai, ignited an anti-imperialism protest that swept across the nation. Mission schools, mainly colleges, experienced their most difficult time in China. In the following year, registration began to be officially required for mission schools. It was also ruled that the presidents and administrative staff should be Chinese. Religious classes and practice were changed into elective activities and mission schools could not force any student to participate.

In such a stringent environment, mission schools became localized, secularized and more academically oriented. Chinese teachers were employed, and many western administrative staffs were replaced by Chinese intellectuals. Classes began to be taught in

Chinese. And with more emphasis placed on academic quality, some mission colleges later boasted the strongest and best research in some majors like Chinese language and culture.

According to Deng (1997), Tatsuro & Sumiko Yamamoto (1953) reported that three thousand missionaries had left China by the end of 1927. While mission higher education was undergoing personnel shifts and re-design, Christian elementary and secondary schools also decreased in numbers. In fact, the situation of mission education continued to deteriorate after Guo Ming Dang (Nationalist Party) ended the ruthless battles between warlords and unified the nation in 1928. As a ruling party, Guo Ming Dang tried to justify its governance through its control over education. Similar to today's practice of the Communist Party, party representatives were dispatched to all schools, including mission schools. In 1933, Western missions were forbidden to run elementary schools for Chinese children (Deng, 1997).

After the invasion of Japanese troops first in 1931 and later intensified in 1937, the entire education system in China experienced huge disruption. Most of the schools retreated to the inland areas. Mission schools also suffered from the chaotic situation. Starting from the late 30s, the government began to offer small amounts of financial support to private schools, including mission schools (Hu, 1994). This support did not come free. Governmental support changed some private schools into public ones. Shortly after the end of WW II in 1945, civil war broke out, leaving private schools no time for recovery. Since then, the fate of mission schools, as well as other private schools, was decided when the Communist Party took over the government in 1949. By the mid 1950s, all private schools have been transformed into public ones.

Comments on Mission Schools in the Contemporary History of China

Mission schools have been regarded as one of the great manifestations of Western colonization of China. Bringing with them brand new and often contradictory ideologies, mission schools clashed with the traditional culture dominated by Confucian ethics. Chinese society was forced to accept Western influence with agony and humiliation. At the same time, Western institutions helped Chinese people to see more choices and alternatives in every aspect of social life.

Mission schools invaded Chinese culture in a more insidious fashion than physical invasion. Missionaries and Chinese people interacted with each other. Mission education was gradually but never completely accepted by the intellectual society. The development of mission education in China can either be described as a cultural communication, or – since there was no equality between the two sides – as a cultural invasion. However, mission schools did make contributions to modernizing the dilapidated education system in China at that time. "New schools" as advocated by many reformists were actually modeled on early mission schools. Mission schools were also the first to offer women's education in modern China. The first girl's school in China was established in 1844 by Aldersey, a British missionary (Hu, 1994). Mission schools started the first nurses' training program in China. They also boasted some of the best universities and research areas in contemporary China. As we noted earlier, several of the best universities today like Tsinghua University and Tongji University started as mission colleges.

2.2 Schools Run by Chinese Educators

Private schools run by Chinese educators started later than mission schools. In the beginning, Chinese private schools were modeled after mission schools in order to pass on "Western studies" to new intellectuals and invigorate the nation with new knowledge. There are different understandings on the meaning of "Western studies". At first, Chinese government felt the agony of its underdeveloped technology and machinery production. "Western studies" at this stage meant the learning of western machine production. Fujian Warship School and Shanghai Production Bureau were the two most important experiments in the hope of applying western technologies to industrial production. Later, Chinese intelligentsia came to realize that machinery alone could not save the nation. China had become weak mainly because of its malfunctioning political system. Western studies in this period meant the learning of western political systems. Finally, advocates of "Western studies" went further and asserted the deficiency of Chinese culture. They believed that within the context of old feudalistic culture, it was impossible to implement any real reforms. The failure of Wu Xu Legislature Reform proved that the new nationalistic political system could not possibly survive in the soil of old cultures. (Qiu, 1997). Through the development of understanding about Western studies, one constant theme was that education was consistently regarded as the most important way to rejuvenate the dilapidating nation. Both the government and individual citizens sponsored experiments to set up new schools. In 1862, Peking Tongwen Academy was founded by Yi Xin, the brother of the king. This was the first new style school in the history of China. This government school started as the language institute and later expanded with astrology and mathematics studies in 1867.

The prevalent thinking of education as omnipotent (Cai, 1984) combined with dissatisfaction with traditional learning institutions (Qiu, 1997), motivated great energy

among open-minded gentries, merchants and returning overseas students to set up new private schools. Although some Chinese intellectuals began the experiment as early as 1878, this trend did not become obvious till 1904, when Guimao Education System brought fundamental and systematic changes to traditional education structure. Therefore, 1904 can be viewed as the launch of modern private schools run by Chinese educators. Their development can be divided into four periods: from 1904 to 1911, from 1912 to 1927, from 1928 to 1936, and from 1937 to 1949. The division of stages roughly corresponds to that of mission schools.

1904-1911

Zhang Huanglun founded Zhengmeng Academy, the earliest modern private schools run by Chinese educators, in 1878. However, as mentioned earlier, this type of school did not achieve much development before 1904. The dissemination of evolutionary (*gailiang*, as opposed to more radical idea of social revolution) thinking since 1898 and the Wuxu Legislature Reform illuminated the Chinese people's long-shackled mind. More people were demanding education at the same time that more intellectuals were willing to provide education. Private schools began to grow in number. The growth in private education as well as the reformist atmosphere encouraged the Qing government to announce the first modern education system regulations in 1904. The implementation of this system, in turn, created a supportive environment for the new private schools to develop. The new regulations required local governments to found new schools in accordance with the 1904 law. An education ministry (Xue Bu) was established and the "eight-legged" essay examination was abolished shortly afterwards in 1905. Being aware of the shortage of financial resources and qualified teachers, the government encouraged individuals, most of them were old-fashioned intellectuals, to open schools to fill in the gap between what had been planned and the

reality. The old gentry class responded to this appeal from the government passionately, considering themselves the backbone and leading class that should take the responsibility to educate its people.

In this period, most of the private schools were primary schools. Most of them were concentrated in the coastal area, and they were labeled as "Chinese-Western studies academies" or "English schools" (Zhang, 1994). Although these schools attempted to imitate mission schools, most of them did not have any real breakthroughs and were still within the traditional school framework. In order to complete the new education system efficiently, learning promotion organizations were opened in every county to supervise the operation of new schools, both governmental and private.

Although mission education began to focus more on higher education in this period, only a small number of secondary and tertiary schools were founded by Chinese educators. The Public University of China (1904) and Fudan University (1905) were the most important private universities founded by Chinese educators at this point. Nankai School, founded in 1907 by Chang Bolin, was the most famous secondary school at the time.

According to Lin (1999), in 1906, there were 59 private secondary and primary schools, with a teaching staff of 606 and a student body of 3,855. However, private schools founded by Chinese educators suffered from an extreme shortage of funding. For example, the Public University of China, founded by returning students from Japan, had to rent dilapidated buildings as their classrooms. Many of the staffs were working voluntarily without salary. In an extreme case, in order to raise funds, Yao Honglie, one of the university administrators, committed suicide in the hope that "government administrators could use their political power, rich people could use their economic power, and intellectuals could use their knowledge to support the Public University of China together" (Hu, 1994).

1912-1927

With the overthrow of the Qing Dynasty, the Feudalism that had lasted for several thousand years came to an end. Various powers and influences began to compete in all fields of social life. In politics, starting from 1917, a 10-year war broke out between warlords across the nation before Guo Min Dang unified the country in 1928. In the field of ideas, republic thinking, democracy, communism and even Feudalist remnants were in conflict with each other, attempting to fill the vacuum left by the annihilation of Feudalism. The beginning of the Republican era created a relatively active and liberal environment for education. With the promotion of reforms by the new government, education developed quickly. The number of schools nationwide increased from 87,282 in 1912 to 129,739 in 1915, and the number of students increased by around 50% accordingly (Qiu, 1997).

The active involvement of government in education development provided a strong support to the public education system. But at the same time, it also attempted to control private school ideology to corroborate its ruling position. The grip over education, fortunately, was not so strict as it might have been because of divisions created by the war between warlords that followed the founding of the Republican nation. Fighting for power reduced resources for education. Education fund was often appropriated for military use. Public schools were severely impacted by the war. By contrast, private schools, which did not rely on governmental funding, kept developing in a more stable fashion. In addition, because of the accumulating tension in Europe and later the First World War, the Western control over China was loosening. National industries in China thus got a precious chance to expand. The developing economy provided a strong source for educational investment.

The first period of the National era (before 1922) saw a rapid growth in private higher education and professional schools of political science. "Regulations on Public and Private Vocational Colleges" and "Regulations on Private Higher Education" permitted individuals to open all kinds of new schools except for teacher training schools. The private universities outnumbered public universities in this period. Out of these private universities, 75% were vocational colleges, with most of them concentrating on political science (Hu, 1994). This reveals the passion for law and politics in the 1910s and 1920s. In contrast, primary and secondary education achieved greater success in the public sector. In 1912, there were only 54 private middle schools, accounting for 14.5 percent of the total number of middle schools in that year, and 12.8 percent of the total middle school population (Hu, 1994).

A new education system was implemented in 1922. In the new system, requirements for setting up universities became less strict. The 4-year middle schools were changed into 6-year schools and were divided into junior high schools and senior high schools, and they could be founded separately. As a result of these changes, the number of public universities exceeded that of private ones for the first time in 1922, with 10 public and 9 private. In 1927, 34 universities were public and 18 private. Many political science colleges were shut down as a result of their poor quality. In the secondary and primary education sector, however, a large number of junior high schools were established by individuals; and the number of private middle schools reached 283 in 1925, or 41.2 percent of the total number of middle schools of that year, enrolling about 40 percent of the whole middle school student population (Hu, 1994).

1928-1936

With the end of the chaotic struggle for power between warlords, the Guo Min Dang government unified the nation and created an uninterrupted period of stable social development from 1928 to 1936. The new government established a healthy and regulated education system. As early as 1927, the government announced its education policy based on the "Three People Principle", expecting education to facilitate the creation and maintenance of national independence, the human rights equality, and the improvement of living conditions. Following the announcement of this policy, a series of regulations were announced. In December 1927, the government promulgated the "Regulations on the Registration of Private Universities and Professional Schools" to improve the quality of private higher education. To regularize the administration of private higher education, "Regulations on Private Universities" and "Regulations on the Private University Board Operation" were implemented in February of the next year. In 1929, "University Organizational Laws" and "Professional School Organizational Regulations" were announced to clarify such details as the minimum investment for starting a college, minimum operation investment and curricula (Hu, 1994).

Besides the resolution of the government, other social factors also contributed to the relatively supportive environment for education. With less social turmoil, national industry achieved an annual growth rate of 8.7 percent between 1923 and 1936 (Deng, 1997). The development of national economy resulted in greater resource availability for educational investment. At the same time, it also created a greater demand for skilled and educated labor. In addition, the prospering economy boosted the confidence and pride of the Chinese people. Educators started to seek new national identity by setting up new schools modeled after their own ideals of future China. For example, Cai Yuanpei, the most influential

president of Peking University, advocated aesthetic education vehemently. He believed that aesthetics not only could substitute for religion, but was even better than religion in that "aesthetics is liberal, while religion is compelled; aesthetics is progressive while religion is conservative; aesthetic is popular while religion has boundaries" (Cai, 1984: 501-2). With such an ideal, 3-year-old children were sent to the kindergarten to learn music, painting and literature, museums of arts were set up, theatres were built, professional arts schools were founded, and even pregnant women were sent to national infant education institutions that were set up in peaceful setting with fresh air (Qiu, 1997).

Hu Shi and Cai Yuanpei also insisted on the independence of education. In his essay "On Independent Education", Cai pointed out that:

> Education should develop individualism and commonality equally. What political parties attempt to do is to create a special kind of commonality and wipe out individualism. For example, they would encourage their people to love some nations, while hating the others; or try to use the culture of one ethnic group to absorb and dominate the culture of another group. This is the common practice of today's party. It is extremely harmful if this practice was intertwined with education. What education aims at is the effect in the future, while political policy seeks instant change. … the effect of education will not appear instantly. However, parties cannot hold their ruling position for long. Government changes within several years. If education is under the charge of parties, then when the government changes, education policy will change accordingly. No education effect can be achieved in this way. Therefore, education must be independent from political parties (Cai, 1984: 117).

As mentioned above, the government in this period (as well as in all the other periods), attempted to control the education system. For example, In October 1925, the Beijing government ordered private colleges all over the country to shut down. This is an event that has not been explained to this day (Deng, 1997). The belief in educational independence was a counter force that protected and promoted the stable development of private education in the period. During the years of continuous wars and constantly shifting of powers, the appeal for education independence helped education survive.

Another educator who significantly contributed to private education in China is Tao Xingzhi, also a Teachers College graduate and a disciple of Dewey. Combining pragmatism with the social conditions of China, he initiated village education, popular education, vocational education, wartime education and comprehensive education movements. He applied his ideals to practice and founded more than half a dozen schools. Xiaozhuang School, founded in 1927, was a village teacher training school, the first of its kind in contemporary educational history of China. With the belief that village teachers are the soul of countryside reform, Tao made his first experiment in the suburban area of Nanjing. Xiaozhuang School consisted of two parts: primary school teacher training and kindergarten teacher training. Guided by such principles as "life is education, and society is the school" and "integration of teaching, learning and practicing", the school achieved great success quickly. Tao was invited by other regions to found similar teacher training schools in 1928 and 1929 (Wang, 1982). His education ideas are still highly respected by the Chinese government today.

At the beginning of the 1930s, with the purpose that science should be popularized among common citizens, Tao founded a children's correspondence school in Shanghai (1932). In the October of the same year, he founded Private Shanhai Experimental School in Shanghai, which was a vocational school that combined general knowledge with skill training. In the next period of education development (1937-1949) when the Sino-Japanese war broke out, Tao was concerned with the education in the battle field and founded Life Education Association and children's school for the refugees. In 1939, Yucai School was established in Chongqing, the wartime capital. This school was an experiment to apply Tao's ideal of comprehensive education. The school included six groups: music, drama, painting,

literature, social studies and natural science studies. The school was so successful that its name is still used by many high schools in different cities across the country.

With effort from the government as well as individual educators, private education scored impressive developments in this period. The percentage of private colleges increased from 27.6 percent in 1925 to 49.1 in 1936. Correspondingly, private colleges enrolled 49.3% of all the college students in 1936, as compared with 35% in 1925 (Hu, 1994). Primary and secondary private education also developed on similar scales. In 1936, private primary schools and secondary schools accounted for 24.8% and 36.7% of the nationwide number of primary and secondary schools respectively. Most of the private schools concentrated along the costal areas and major cities.

1937-1949

War began in this period. Like mission schools, private schools run by Chinese educators also suffered severe damage and regular education could not be maintained. Many schools were demolished by bombing. The famous Nankai University was raided by Japanese invaders in 1937, the first year of war. Half of the private middle schools closed between 1937 and 1939 (Hu, 1994). Apart from the damage of school facilities, teachers and students were turned into refugees, creating an immeasurable loss to education. Public education suffered from the war as well. However, the government transferred some schools out of the occupied areas and was able to save some regular educational institutions. By contrast, privately invested schools did not have the ability to migrate to the inner lands.

Around the end of Sino-Japanese war in 1945, the government began to offer some support to private schools. Yet in return, many schools were changed from private to public. Examples included Nankai University and Fudan University, two of the earliest private higher education institutions. Not only the number of private schools decrease, but also their

quality deteriorated with some of the higher quality schools becoming public. Although private education gained some respite after WWII, the civil war that followed between Guo Ming Dang and the Communist Party undermined the ability of private schools to survive.

3. Post 1949 era

The shifting focus of national development in China after 1949 reveals the struggling for control between two fractions inside the Chinese Communist Party: the radicals (as represented by Mao Zedong) and the moderates (as represented by Liu Shaoqi and Deng Xiaoping) (Tsang, 2000a). The radicals put emphasis on ideological struggle, while the moderates focus on economic and material improvement. The overall policy change was decisive in shifting education policy (Tsang, 2000a). Although education development in the post 1949 era can be divided into more periods (Tsang, 2000a), for the purpose of analyzing private education, two major stages are suffice to see the change: from 1949-76, when private education was first severely suppressed and then totally eradicated; and from 1976 to the present, when private education revived and is still gaining importance in the overall education system.

3.1 From 1949-1976—The Termination of Private Education

After the founding of the People's Republic of China, all of the private sectors of social life were transformed into public sectors. This is consistent with the nature of the Chinese Communist Party as a communist party. Equality was regarded as the most important principle, and individual goals were suppressed by collective goals. Private

industries and schools were regarded as the manifestation of Western capitalism, which was in the direct opposition to communism. Within such a radical ideological framework, schools began to be folded into the public sector in 1951. Mission schools were also among those on the conversion list. Furen University was the first mission university that was transformed. It became part of Beijing Normal University, bringing with it a great collection of precious books. By the end of 1952, private education had disappeared in China.

Private education did not reemerge until 1978. Between 1952 and 1978, there was only one type of school that existed in large numbers in the vast rural area: people-run schools. People-run schools are schools "sponsored and managed by a community of people or a collective organization, and funded by resources from the community or collective organization, and from a variety of sources" (Tsang, 2000b: 4). This type of school came into being in response to the huge gap between the supply and demand for public education in the poverty-stricken rural areas, where around 80 percent of the total population lived. Parents usually could not pay any tuition, and teachers received no regular salaries. Instead, villagers provided food and room for the teachers and helped in such activities as school building, and teachers had to move from home to home for accommodation. The government offered almost no financial support for these schools, but at the same time the party maintained a tight control. People-run schools had neither administrative autonomy nor academic freedom (Deng, 1997). For this reason, though privately funded, people-run schools are not categorized as private schools (Deng, 1997; Tsang, 2000b).

3.2 From 1976-Today—The resurgence of private education in PRC in post-Mao era

After the chaotic "10-year Cultural Revolution" ended in 1976, the less radical faction in the Chinese Communist Party rose to power under the leadership of Deng Xiaoping. The Third Central Meeting of the Eleventh Party Conference decided on a new package of national development policies, which is known as "reform and open" strategy. In the process of reform, the Party further liberated its thinking and started the creation of a "socialist market economy". Education's role in national development is no longer ideological; instead education has the important function of meeting the skill requirements of a developing socialist market economy and is portrayed as the strategic foundation for national development (Tsang, 1996:p.54). With excess demand from the society, and with the permission of private business in a socialist country, private education reappeared in China.

Definition of private schools

Different definitions of private education will result in different categorization of public and private sectors. Usually there are two standards: privately funded and privately managed schools. According to the Regulation on Education Run by Social Forces, instituted since July 31, 1997, private schools (or schools run by social forces) refer to those run by "businesses and governmental organizations, social groups and other social organizations and individuals, using non-government educational financial resources, to provide schooling and other forms of education to the society." (Lin, 1999).

Context of private school resurgence

The potential education market is created by excessive social demand as compared with limited governmental supply of education, together with the consumer's willingness and capability to pay. Usually private education comes into play when there is either an absolute shortage of education such that not everybody has access to schooling, or a demand for education alternatives that the existing system cannot satisfy (James, 1995). According to Lin (1999), in developing countries, the rationale for the existence of private education tends to be very different from that in more developed countries. Carnoy and Samoff (1990) see private education in developing countries as an inescapable solution to the rising demand for education, particularly at the secondary level. Parents who send their children to private schools are not necessarily exercising a constitutional right of choice, but rather solving personal problems or using a system that increases their children's chance for social mobility. The absolute shortage of education supply seems to be the main reason for the existence of private education.

This is also true in the case of China. Shortage of funds proved to be devastating to China's public school system (Deng, 1997). China's educational budget between 1950 and 1985 rarely exceeded 3 percent of its GNP and was overall 0.7 percent less than the international average (Ho and Mao, 1992). The under-invested education system, coinciding with a huge and increasing population, makes the situation even worse. Examinations were widely adopted as a mechanism of competition for the limited education resources. Primary school students competed for "key" junior high schools, and junior high school students compete for "key" senior high schools, with these sought-after schools providing nearly sure access to higher education. At the end of high school years comes the notoriously competitive college entrance examination. At each of these stages, a large number of

students are denied the chance for further education. When private schools came back in the early 1980s, their targetted market was these "failed" students, offering them the kind of training needed to compete for college enrollment for a second time.

The demand for such second-chance schools outside the public education system was made even larger as a result of the Cultural Revolution (1966-1976). During those years, youths were denied access to regular higher education and were sent to the countryside to receive "re-education" by laboring on the farms. Once the normal higher education system was restored in 1978, the huge number of college candidates that had accumulated in the previous 10 years began to take the entrance examination at the same time. Such severe congestion inevitably left a large number of failed students who created a demand for further training.

The market of "second-chance" students still exists today. Public compulsory education is not absolutely free. Though it charges no tuition, fees are nonetheless collected under various names. In underdeveloped areas, children have to travel across hills, rivers and vast farming fields to get to their schools. When all the fees, traveling costs and forgone earnings are considered, public education is so expensive that impoverished families in some rural areas cannot afford it. Private schools arose, catering to the education demand of these families. In big cities and the coastal region, private schools offered a second chance to those academically unqualified students from rich families that could afford the private tuition. For those who failed to get admission to public universities, private universities, many of them correspondence colleges, rose to meet the demand of adults.

Starting in 1992, when the first elite high school was founded, demand generated by supply shortage was no longer the only market for private investment. With the booming economy, people began to seek more school alternatives beyond what the public system

offers. Economic growth brought a sharp rise in family incomes, giving people the financial foundation of choice. At the same time, the economy has been shifting from a central-planning system to a socialist market economy. This has increased the demand for skilled labor force, for which private schools have responded quickly.

With economic development being regarded as the primary task of national effort, social values have changed. The ideal of egalitarianism has been abandoned for the sake of faster growth. Between being poor but equal, and being rich but unequal, the government has chosen the latter. Wealth has become the common goal of the society. Although political connections prove to be the most effective method of wealth accumulation, education is the path to higher economic gains for the majority of common citizens who can afford it. To ensure a "brighter" future, parents want to choose the "best" education for their children. The great demand for certain skills in the labor market is reflected in the great demand of training in those skills. For example, for most families, key middle schools would be their ideal choice. But since these schools are not accessible to most of them, and yet they are not satisfied with common high schools, private schools with better facilities and more flexible curricula become their second best choice. For some families where both parents are involved in business with little time to care for their children, an alternative schooling that can take care of both the study and life of students is attractive to them. In recent years, it has become more and more popular for families living in the central and western regions to send their children to big cities in the coastal area so that they will be more adaptable to the metropolitan and modern environment in the future and get more job opportunities. It is impossible for these students to get enrolled in the local key schools of big cities. But money can buy them places in private schools.

Other factors helped enlarge the market demand for school alternatives. For instance, the one-child policy, a method of population control, created a large number of nuclear families with only a single child to educate. This policy came into effect around 1976. These children began to compete for secondary education in the 1990s. No parent would like to see failure in the training of the only child of the family. In addition, the parents of these children suffered from the Cultural Revolution, and most of them were denied the chance to receive even secondary education. They would never want this to occur to their children. As a result, they have made efforts to seek the best education available to their children. Some parents from cities were sent to remote areas in the revolutionary years. Many were unable to return to their hometown, even after the end of the revolution. Their hope lies with their children: If their children can get admitted by universities in cities (especially Shanghai and Beijing), current policy allows the parents' *hukou*[3] to return to the city with their children. Private schools in eastern cities also give these parents a good choice to realize their dreams.

Another factor, though not quite clear in its nature and scale, has contributed to the market for elite private schools. Economic growth has brought more illegitimate children, born to the mistress of rich businessmen. Unofficial information suggests that there is a population of nearly 100,000 mistresses in the Zhujiang area alone. Unfortunately, these children are not permitted in regular schools. At the same time, many of the rich fathers are more than willing to pay for the education of their children. This generates a market demand for private education, especially in the special economic zones in South China.

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[3] *Hukou* is like citizenship. But citizenship is used to differentiate country identity and control population movement across countries. *Hukou* is used to differentiate city, county and town identity and control free migration across different areas within a country.

Such a great and heterogeneous demand described above is not sufficient by itself to bring private education back into existence. Privatization in education follows the privatization of economic production in the country (Tsang, 2000b), which is part of the "socialist market economy" policy. Besides, with the increasing GDP per capita, families now have the capability to consume private education. The overall policy and household income make people's education demand realizable.

Regulatory environment

Alongside the burst of demand for private education, the government created a favorable policy environment for the growth of private schools. As early as 1985, some documents on "structural reform of China's educational system" allowed university departments to find part of their resources through engaging in business activities or through enrolling a certain number of students outside the admission quota set by the government (Lin, 1999). This was the beginning of education decentralization. A series of regulations and laws concerning non-state schools were issued afterwards. The key ones that are regulating today's market are: the 1993 Provisional Regulations on the Non-State Higher Educational Sectors, the 1995 Provisional Regulations on Education Institutions Jointly Sponsored with International Institutions, the 1995 Education Law, the 1996 Vocational Education Law, the 1997 Regulations for the Non-State Education Sector, and the 1998 Higher Education Law (LaRocque & Jacobson, 2000).

These regulations provide a supportive stance for private education in the PRC. The Law stipulates that private education institutions should be non-profit organizations, and the surplus shall not be distributed among investors. Under the current laws, private schools are not entitled to public education funds. In fact, from 1985, the government began to

supplement state funding of education from other sources. Its policies are consistently seeking more money from student families rather than increasing the governmental investment in education. More and more of the financial burdens of education are being transferred fr .n the state to individuals. Even public education is no longer free. Students enrolled in regular public universities began to pay tuition from 1994.

The risk to private investment in education is the informality and lack of transparency of the regulatory environment in China (LaRocque & Jacobson, 2000). Enterprising individuals were ready to assume financial risks as well as the political risk of being criticized or condemned by the government should it reverse its policy (Kwong, 1997). But such a loose regulatory environment also generates some flexibility in the implementation of regulations. Some private schools successfully acquired support from the local government, and non-profit private schools are actually collecting surplus through various ways. Some investors started businesses affiliated with their schools. Profits gained from education can thus be transferred to company surplus and become legal profits. Policy makers are attempting to come up with different interpretations of school's "non-profit" status. In fact, the legislation on private education is one of the hottest topics among Chinese educators. Debates mainly concentrate on for-profit or non-profit status, ownership, and even the legal name for private education: Should it be "people-run schools", or "schools run by social forces", or just private schools (Wang, 2001).

Development of private schools

The development of private schools in the post-Mao era is divided into three stages (Lin, 1999): 1978-1987 is the first period, when most private schools were training institutions and night schools targeting second chance students. The second period saw the appearance of

private regular schools. And the third period started from 1992, when the first elite school appeared in China, signalling the advent of rapid growth of various types of private schools to the present day.

In 1994, private schools constituted less than 4 percent of the country's schools (Kwong, 1997). Yet, the distribution of private schools is not balanced: in Wenzhou city of Anhui province, private secondary schools made up 51% of all secondary schools in 1996 (Zhang, 1996). Private schools are developing quickly in some economically underdeveloped region like Yunnan Province as well as in the affluent cities. According to the survey done by LaRocque and Jacobson (2000), in 1998, there were nearly 42,000 private education institutions in China. Of these, 85% were at the pre-school level, 11% were at the elementary and secondary levels and 3.5% were at the tertiary level. Excluding the tertiary sector, these private institutions enrolled 6.5 million students in 1998. In 1997, there were over 1200 private universities existing in the country (Lin, 1999), with 37 of them having the right to confer degrees.

Different types of private schools

Private schools are often classified into three major types: urban elite primary and secondary, ordinary private schools, and private universities (Lin, 1994). Urban elite schools attract the most attention from the society because of their extremely high tuitions and construction fees charged to students. They are usually boarding schools that have substantial resources. Teachers receive salaries than public school teachers and schools often have additional requirements beyond the regular curriculum requested by the government. Students are admitted on family's capacity and willingness to pay instead of academic achievements. But to ensure a certain level of quality, they sometimes provide scholarships to attract top

students from key schools and persuade poorly performing students to transfer to vocational schools before the college entrance examination (Lin, 1999). In a sense, elite schools provide a chance for some rich students to "buy" the right of leaning.

Ordinary private school includes rural private schools, single-sex schools and art schools (Lin, 1999). They are affordable by the average families and are usually secondary schools. Charging much lower tuition, these schools are less profit-oriented than elite schools. In fact, many rural private schools were founded in response to the high and unaffordable charges of public schools. To some extent, they are similar to the people-run schools between 1952 and 1978. These schools typically have meager finances and resources. Most of the teachers are part-time or retired teachers seeking extra income besides their regular salaries (Lin 1999). Some schools in this category also offer training in foreign languages, computer skills, or examination preparation classes.

Although it is claimed that private universities enrolled one quarter of the total college student population in 1995, a great proportion are correspondence students. Their targeted market is adults instead of high school graduates. Usually private universities offer limited professional training in a narrow range of subjects that are popular in the job market. There are three types of private colleges: The first type has the right to confer degrees independently. The second type can issue joint degrees with other regular institutions, and the third type only provides training for students to take the Adult Self-study College Examinations, which lead to a college diploma equivalent. The last type of private tertiary training had 1,080 schools in 1998 (LaRocque & Jacobson, 2000). Private colleges are usually affordable to common families. To survive on limited financial resources, they mostly employ part-time teachers or senior students from famous public universities.

Investors in private schools

Investors in education range from business entrepreneurs to retired teachers, government officials, overseas Chinese, and public schools. They invest in education for different reasons. Many of them are driven by economic profit. Some are dissatisfied with the existing education system and thus carry out their own experimental approaches, just as Tao Xingzhi did in the 1920s through the 1940s. Some business people set up schools just to obtain profitable land and tax benefits for schools. The most interesting and sometimes ironic phenomenon is that of public schools investing in private education. Starting from 1985, universities have been allowed to raise financial resources outside of state funding by operating a business or admitting extra students. With the existing facilities and teachers at hand, it is so easy to set up a short training session so that adults outside the campus can have partial access to higher education, while teachers can get some extra money to improve their lives. Setting up a night school appears to be a more legitimate and fair way of generating revenue for the public schools than admitting extra students who actually use money to compensate for their academic inadequacy. In addition, starting a private school on the basis of an existing public school is much easier and safer than starting a new one from scratch.

Operation

Lin (1999) identified four sources of funds for private schools: state funds, fees charged to parents, income from operating school businesses, and income from offering extra classes. Other sources also include equity and short-term bank loans (LaRocque & Jacobeson, 2000). Among these, a significant amount comes from fees charged to parents. For elite high schools, this category consists of tuition, construction fees, education savings and other fees

like transportation and uniform. Education savings funds – deposits – are much higher than normal tuition (around 10,000 to 30,000 USD). Schools promise to return the fund in the original amount at the time when the students have finished study. This form of deposit plays two important roles: The huge amount of money can be used as an interest-free loan from parents, so that schools can afford expensive initial construction. Second, during the years of study, schools can benefit from the interest on deposits or returns to other investments that schools make. In a rotating fashion, the deposit withdrawn by graduated students is replaced by the deposit from in-coming students. Though the capital flows all the time, its stock is constant. The deposit becomes fixed school property.

Private schools have more independence in administration. Under the general guidance of the government, they can employ their own teachers and administrative staff quickly and make changes to the curriculum without the approval from the local government. Teacher's salary is used as an incentive to better performance. It seems that in this way, the problem of stagnant curriculum that tends to stifle creativity of students in the public schools can be solved by the flexibility of private schools. Such ceremonies as flag-raising every morning in the public schools could be overlooked or quietly sacrificed for academic excellence (Deng, 1997). However, few studies have been done to compare the efficiency between public schools and private ones. It would be premature to claim that the curriculum of private schools is better than that used by public schools just because they have added several more computer classes or piano classes. And since love of one's nation and people is one of the essential tasks of education, the flag-raising ceremony might be a good method of cultivating pride in one's own country. But it is doubtful whether the couple of minutes saved from the ceremony really can improve academic excellence much. Other practices of elite private schools, such as the boarding requirement and typical weekday

timetable (Lin, 1999:64) do not seem to differ a lot from those of key high schools. Many of the "innovations" seem to be designed for marketing purposes rather than educational advantage. In addition, in some cases principals do not have the right to decide on financial issues. Allocation of resources is under the control of investors who may have no experience in the education field.

Concerns about private schools

The personal accounts nationwide accumulated a total sum of deposit exceeding 2 trillion RMB (or more than 250 billion USD) as of 1994 (Deng, 1997). The government is trying to direct the citizens to consume more education out of their own purse. People stay longer in schools. Public universities and graduate schools are expanding their student population quickly, in some cases by 20% per year. It seems that the government is pressing to expand the current educational capacity using private resources. One concern about private education in such an environment is its over-heated growth, which, in turn, may possibly result in improper competition such as the using of dishonest advertising. Another concern is that the government appears to care more about earning money by using its education institutions than educational quality. A lot of residence halls and classrooms are being built around universities, while the number of regular teaching faculty remains unchanged. Graduate students are compelled to teach "voluntarily" some big classes completely by themselves.

A more serious concern is the inequality problem. Deng (1997: 136) pointed out that "private schools that prospered on the growing gulf between the rich and poor only magnified the problems that were besetting Chinese society in the 1990s". Compared with the past, rich students have one more way to get education: an open-market purchase.

However, even if there were no private schools, the "enrolling extra-quota students for financial resources" policy has already given privilege to the economically advantaged group. Besides, as mentioned above, rural ordinary private schools actually create educational opportunities for the poor who cannot afford the public education. The relation between education equality and the development of private education requires more detailed study. In fact, the current private education development policy is confusing in that: on the one hand, policy makers are making great efforts to re-interpret the "non-profit education" regulations so that entrepreneurs can distribute profit legally (because researchers believe profit is the incentive); while on the other hand, educators also realize the importance of promoting private education in poor areas to meet the excess demand there, forgetting little profit can be further wrenched from those families (Yang, 2001).

There are other worries about private education. For example, private schools usually offer classes on "hot" skills. Now it is not rare for some kindergartens to teach children English before they can speak Chinese fluently. Computer classes are the emphasis of many private high schools, while such subjects like math is ignored (Lin, 1999). This is detrimental to the establishment of a solid knowledge foundation for students. Besides, there is no systematic evaluation mechanism for the outcomes of education. Little information on student performance in private schools is available. The most recent conference on private education policy held in Hangzhou this summer was abundant with articles of casual "thoughts" instead of serious assessments.

4. Conclusion

The available literature shows a lack of systematic experiment and evaluation in the study of private education policy. The description of private school development is limited to the amount of investment, the number of schools, the students enrolled, sources of fund, the fees charged, and so on. With nearly 10 years of rapid development since 1992, the outcomes of private education can be and should be measured to determine its contributions and social consequences. With the continuing expansion of public education, private education may face serious challenges in the future.

As demonstrated by the history of private education, China has started its non-governmental schooling since Confucius began to provide education to people outside the government and the ruling class. The current private education differs from the Chinese tradition in that today's education is unprecedentedly commercialized and market-oriented. Education history tells people that education is a career that requires devotion from the teachers, that education is a science whose value lies with truth, and that education is an art, whose vigor comes with innovation. Yet, resource diversification and expansion need to be balanced with quality.

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